

SENATE RECORD VOTE ANALYSIS

104th Congress
1st Session

Vote No. 215

May 25, 1995, 12:31 p.m.
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BUDGET RESOLUTION/Conrad Substitute

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 1996-2002 . . . S. Con. Res. 13. Exon (for Conrad) substitute amendment No. 1183.

ACTION: AMENDMENT REJECTED, 39-60

SYNOPSIS: As reported, S. Con. Res. 13, the fiscal year 1996 Concurrent Budget Resolution, will reduce projected spending over 7 years to balance the budget by fiscal year (FY) 2002 without increasing taxes. Savings that will accrue from lower debt service payments (an estimated \$170 billion) will be dedicated to a reserve fund, which may be used for tax reductions after enactment of laws to ensure a balanced budget. Highlights include the following: the rate of growth in Medicare will be slowed to 7.1 percent; Medicaid's rate of growth will be slowed to 5 percent and it will be transformed into a block grant program; the Commerce Department and more than 100 other Federal programs, agencies, and commissions will be eliminated; welfare and housing programs will be reformed; agriculture, energy, and transportation subsidies will be cut; foreign aid will be cut; defense spending will be cut and then allowed to increase back to its 1995 level; and Social Security will not be altered.

The Exon (for Conrad) substitute amendment would provide for \$228 billion in new tax collections, based on the stated intent of limiting the rate of growth in the value of tax preferences to the rate of inflation plus 1 percent. The amendment also would make an unscored assumption that its revenue and spending levels, like the levels in the underlying resolution, would result in \$170 billion in additional savings. The amendment would then propose \$443 billion in greater spending than in the budget resolution, with the assumptions that certain increases, including the following, would be made: \$100 billion for Medicare; \$60 billion for welfare; \$50 billion for Medicaid; \$54 billion for infrastructure; \$47 billion for education; \$24 billion for nutrition and agricultural programs; full funding for student loans; \$13 billion for research and development; and \$5 billion for veterans.

Those favoring the amendment contended:

The Conrad amendment would achieve more deficit reduction than the underlying resolution, and it would achieve it fairly.

(See other side)

YEAS (39)		NAYS (60)			NOT VOTING (1)	
Republicans (0 or 0%)	Democrats (39 or 87%)	Republicans (54 or 100%)	Democrats (6 or 13%)		Republicans (0)	Democrats (1)
Akaka	Inouye	Abraham	Hutchison	Baucus		Mikulski- ²
Biden	Johnston	Ashcroft	Inhofe	Breaux		
Bingaman	Kennedy	Bennett	Jeffords	Exon		
Boxer	Kerrey	Bond	Kassebaum	Feinstein		
Bradley	Kerry	Brown	Kempthorne	Rockefeller		
Bryan	Kohl	Burns	Kyl	Wellstone		
Bumpers	Lautenberg	Campbell	Lott			
Byrd	Leahy	Chafee	Lugar			
Conrad	Levin	Coats	Mack			
Daschle	Lieberman	Cochran	McCain			
Dodd	Moseley-Braun	Cohen	McConnell			
Dorgan	Moynihan	Coverdell	Murkowski			
Feingold	Murray	Craig	Nickles			
Ford	Nunn	D'Amato	Packwood			
Glenn	Pell	DeWine	Pressler			
Graham	Pryor	Dole	Roth			
Harkin	Reid	Domenici	Santorum			
Heflin	Robb	Faircloth	Shelby			
Hollings	Sarbanes	Frist	Simpson			
	Simon	Gorton	Smith			
		Gramm	Snowe			
		Grams	Specter			
		Grassley	Stevens			
		Gregg	Thomas			
		Hatch	Thompson			
		Hatfield	Thurmond			
		Helms	Warner			

EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

Instead of trying to balance the budget on the weakest, oldest, youngest, and poorest of Americans, this amendment would make everyone carry some of the weight. It would slow the rate of growth in tax entitlements, it would combine the savings with savings from the fiscal dividend, and it would spend the money on those unfortunate Americans who are scheduled to take very hard hits under the Republican budget. The amendment would not spare programs for poorer and middle-income Americans from cuts, but it would not make those programs the sole targets of deficit reduction efforts. Further, unlike the Republican budget, the Conrad amendment would not add insult to injury by taking the fiscal dividend, paid for by poor people, and giving it to rich people in the form of more tax breaks.

Additionally, the amendment would result in a unified balanced budget by the year 2002, and in a real balanced budget by the year 2004 (meaning that the Social Security surplus would not be counted in budget calculations). This amendment, which we are pleased to present finally to the Senate, is actually more fiscally conservative than the underlying resolution. More importantly, it has a much better chance of surviving for more than a couple of years than does the resolution from the Budget Committee. When the American people find out just how severe some of the cuts are that are in the resolution, they will demand that it be abandoned. Historically, less extreme plans have been able to survive at most for 2 years, and we have no reason to expect that this plan will do any better. The Conrad amendment, though, presents a far fairer alternative. When the American people see that everyone will be called on to share in the pain of budget cuts, they will be much less likely to demand that the plan be abandoned.

In summary, we support balancing the budget, but we disagree with the priorities in the Republican budget. The Conrad amendment gives us a fairer alternative. We hope Senators will recognize its merit, and vote in its favor.

Those opposing the amendment contended:

The President submitted a budget 4 months ago. The Budget Committee submitted its budget, after hearings and with a printed report, 3 weeks ago. About 10 minutes ago a few of our Democratic colleagues finished stitching together a proposal that they say they expect the Senate to take seriously. With 30 minutes of debate to go, and only a couple of minutes to wade through the pages of numbers that comprise a budget resolution proposal, and with no written explanation of what they think they are going to accomplish with their amendment, supporters of the Conrad amendment are telling us that they seriously expect us to accept their amendment.

They should not get their hopes up too high. A cursory examination of this amendment first reveals that it proposes \$238 billion more in new taxes. Senators tell us they want to close tax expenditure "loopholes" for rich people. Most such "loopholes" are for average Americans, not rich people, and comprise such items as health insurance deductions and the home mortgage interest deduction. Our colleagues tell us how outraged Americans will be when they find out how much spending Republicans are proposing to cut; we can imagine the anger when average Americans find out that Democrats have imposed a secret, backdoor tax on them that was supposedly going to be on rich people.

Second, we note that this amendment assumes, with no evidence, that it too would generate a \$170 billion surplus. The assumption is that the market will respond as favorably to a budget that is balanced by the Government sucking another \$228 billion out of the economy as it will from a budget that is balanced solely by cutting spending. Further, they assume that spending that assumed savings immediately will not have any effect at all on whether the savings will materialize in the first place. We are rather surprised that our colleagues would be willing to risk the future of our country on such totally unsubstantiated assumptions.

Third, we note that the Conrad amendment would allow an extra \$100 billion to be spent out of the Medicare trust funds, without any mention of needed reforms. The result of this increase would just be to hasten the depletion of the trust fund, which at present spending rates will be totally broke in 2002. The Conrad amendment, in effect, would ignore the imminent insolvency of this health insurance program that most elderly Americans depend upon. We find this proposal to be irresponsible.

Perhaps the best way to summarize the Conrad amendment is as a last-ditch, tax-and-spend proposal. Perhaps another way to describe it is as a face-saving proposal for Democrats to point to so that they can say that they too had a balanced budget plan, even though it arrived at the eleventh hour with zero chance of passing. However one chooses to describe it though, the one absolute certainty is that the Senate will reject it.